



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

September 22, 2008

Frank Glinton  
Black Sands Holding Company  
2939 South Tamarac Street  
Denver, Colorado 80231

Re: Denial of Request to Close File, Black Sands Holding Company; Black Sands 47281 and 47288, Mines; S0470084 and [REDACTED] Uintah County, Utah

Dear Mr. Glinton:

On June 06, 2008, we received your request to inspect and close the Black Sands files. This letter is to notify you that your request is being denied. Oral Communication with SITLA notes that previous Company representatives for Black Sands Holdings drilled holes which, according to an inspection performed by SITLA, have never been properly plugged. Therefore, we are unable to release the bond for these sites at this time.

It should be noted that on SITLA lease Black Sands 47278, DOGM Permit number S0470082, photos DO NOT represent the location on the ground that was leased from SITLA. The photos are of an area of private ground not leased by Black Sands Holdings, but was represented by Black Sands Holdings to DOGM in 2006 as the "SITLA lease site". It is our recommendation that you verify the actual location of the lease, plug the drill holes and reclaim the site, including but not limited to remove trash, regrade the site to natural contour, spread topsoil, implement a noxious weed program, and apply seed mix until the revegetation standard is achieved.

Permit fees are now due. The annual fees are payable within 30 days. Another billing statement is enclosed for this purpose. When the site meets the required reclamation standards, you may again notify us in writing requesting release of the project.

If you have any questions or concerns regarding this action, please contact me at (801) 538-5320 or Leslie Heppler (801) 538-5257. We hope the site will be ready for release this coming spring.

Sincerely,

Dana Dean, P.E.  
Associate Director - Mining

DD:lah:eb

Enclosure: Billing Statements, Inspection Reports  
TASK # 2453, 2455

cc: SITLA - Will Stokes

PA\GROUPS\MINERALS\WP\M047-Uintah\S0470081-BlackSands47287\final\deny-release\_S0450057.doc





JON M. HUNTSMAN JR.  
Governor  
MICHAEL R. STYLER  
Executive Director  
JOHN R. BAZA  
Division Director

# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

BLACK SANDS HOLDING CO  
2939 S TAMARAC ST  
DENVER CO 80231

ATTENTION: FRANK GLINTON

## ANNUAL PERMIT FEE

Annual Permit Fees for July 2008 thru June 2009

<b>SITE NAME</b>	<b>PERMIT ID</b>	<b>ACRES</b>	<b>BILLING DATE</b>
BLACK SANDS 47281	S470084	NA	06/20/2007
<b>PERMIT TYPE</b>	<b>PERMIT STATUS</b>		
SMALL MINING OPERATION < 5 ACRES	ACTIVE		
			<b>ANNUAL FEE</b>
			\$ 150

<b>DUE DATE</b>	<b>AMOUNT DUE</b>
07/25/2008	\$ 150

Please retain this portion for your records. For billing information call (801) 538-5291

This portion **MUST** be returned with your payment to ensure proper credit. **THANK YOU**

<b>ACCOUNT BILLED</b>	<b>PROJECT NAME</b>	<b>PERMIT ID</b>
BLACK SANDS HOLDING CO	BLACK SANDS 47281	S470084
<b>DUE DATE</b>	<b>ANNUAL FEE</b>	<b>AMOUNT DUE</b>
07/25/2008	\$ 150	\$ 150
<input type="checkbox"/> FEE ENCLOSED <input type="checkbox"/> FEE NOT ENCLOSED*		

\*Failure to pay fees required by the R647 Mineral Rules will result in Withdrawal of the approved Notice of Intention. No mining/exploration activities can occur on the site after the Fee Due Date until the annual permit fees are paid.

If reclamation is complete, the fee may not be required, but a request to inspect and close out the site must be submitted to the Division on form MR-SITE.

Forms and other permit-related information are available on the Web at <http://ogm.utah.gov/minerals> or you can call (801) 538-5291 for more information.

DIVISION OF OIL GAS AND MINING  
1594 WEST NORTH TEMPLE SUITE 1210  
PO BOX 145801  
SALT LAKE CITY UT 84114-5801

Please make check payable to:  
Division of Oil, Gas and Mining



JON M. HUNTSMAN JR.  
Governor  
MICHAEL R. STYLER  
Executive Director  
JOHN R. BAZA  
Division Director

# State of Utah

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

BLACK SANDS HOLDING CO  
2939 S TAMARAC ST  
DENVER CO 80231

ATTENTION: ALAN PROPP

## ANNUAL PERMIT FEE

Annual Permit Fees for July 2008 thru June 2009

<b>SITE NAME</b>	<b>PERMIT ID</b>	<b>ACRES</b>	<b>BILLING DATE</b>
BLACK SANDS 47288	S470086	NA	06/20/2007
<b>PERMIT TYPE</b>	<b>PERMIT STATUS</b>	<b>ANNUAL FEE</b>	
SMALL MINING OPERATION < 5 ACRES	ACTIVE	\$ 150	

<b>DUE DATE</b>	<b>AMOUNT DUE</b>
07/25/2008	\$ 150

Please retain this portion for your records. For billing information call (801) 538-5291

This portion **MUST** be returned with your payment to ensure proper credit. **THANK YOU**

<b>ACCOUNT BILLED</b>		<b>PROJECT NAME</b>	<b>PERMIT ID</b>
BLACK SANDS HOLDING CO		BLACK SANDS 47288	S470086
<b>DUE DATE</b>	<b>ANNUAL FEE</b>	<input type="checkbox"/> FEE ENCLOSED <input type="checkbox"/> FEE NOT ENCLOSED*	
07/25/2008	\$ 150		
<b>AMOUNT DUE</b>			
\$ 150			

\*Failure to pay fees required by the R647 Mineral Rules will result in Withdrawal of the approved Notice of Intention. No mining/exploration activities can occur on the site after the Fee Due Date until the annual permit fees are paid.

If reclamation is complete, the fee may not be required, but a request to inspect and close out the site must be submitted to the Division on form MR-SITE.

Forms and other permit-related information are available on the Web at <http://ogm.utah.gov/minerals> or you can call (801) 538-5291 for more information.

DIVISION OF OIL GAS AND MINING  
1594 WEST NORTH TEMPLE SUITE 1210  
PO BOX 145801  
SALT LAKE CITY UT 84114-5801

Please make check payable to:  
**Division of Oil, Gas and Mining**